

Date: 05/04/00

Issuing Office & Phone: OD/OHRM/SASED, 496-1443

TITLE 42 RECRUITMENT AND RETENTION INCENTIVES

A. Coverage:

Title 42 employees appointed under Title 42, Sections 209 (f), 209 (g), 209 (h), and NIH Special Experts appointed under Title 42, Sections 282(d)(1), 285b-3(b)(1), and 285a-2(b)(5) are covered. Members of the PHS Commissioned Corps or the Senior Biomedical Research Service are not covered by this policy.

B. Authority:

Title 42 authority under which the covered employee is appointed.

C. Criteria and Uses:

Up to 25% of the individual's salary may be awarded when substantial difficulty would be encountered in filling a position.

A Recruitment Incentive may be used:

- To attract physicians and scientists who otherwise would not come to the NIH.
- To relocate an NIH physician or scientist who is appointed without a break in service to a position in a different commuting area or whose duty station is changed permanently or temporarily to a different commuting area.

A Retention Incentive may be used:

- To retain NIH physicians and scientists who would leave the NIH for any reason, e.g., for more highly compensated appointments in academia or elsewhere in the private sector.

Recipients must meet one or more of the following:

- Outstanding academic records and/or evidence of significant research or science administration potential or accomplishment;
- Highly specialized research or medical training and/or experience;

Date: 05/04/00

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TITLE 42 RECRUITMENT AND RETENTION INCENTIVES

- Outstanding contributions to the NIH, who, because of these accomplishments are heavily recruited by outside organizations;
- Are retiring from the PHS Commissioned Corps and for whom the IC has a continuing need (at least one of the first three criteria must be met).

D. Delegations of Authority/Review Process (this section was revised 11/20/00):

Initial Requests, Re-certification and Renewal. The level of approval for an initial incentive, and a re-certification and renewal incentive is dependent upon the annualized rate of total compensation and the sum of all discretionary increases in total compensation received within the preceding 52-weeks. See Pay and Appointment Authorities at <http://www1.od.nih.gov/ohrm/programs/deleg>.

Review of Requests Requiring the approval of the Director, NIH. Requests are reviewed and a recommendation to approve/disapprove is made by the appropriate a review group, i.e.,

- **Extramural** requests are reviewed by the Deputy Director for Extramural Research and a subset of the EPMC
- **Intramural** requests are reviewed by the Deputy Director for Intramural Research, Deputy Director for Management, Director of OHRM, and Ad Hoc Reviewers
- **Clinical** requests are reviewed by the Deputy Director for Intramural Research, Associate Director for Clinical Research, and the Clinical Salary Review Board
- **Administrative** requests that are neither extramural, intramural, nor clinical are reviewed by the Deputy Director for Management, Director of OHRM, and Ad Hoc Reviewers

Initial, and re-certification and renewal incentive requests requiring approval by the Director, NIH should be forwarded to the Senior and Scientific Employment Division (SASED), OHRM, Building 31, room B3C07. Requests for medical credentialing, when required, should be forwarded to the Executive Secretary of the Medical Executive Committee. Separate credentialing and compensation requests will be considered concurrently.

E. Justification:

Initial Request: The justification must address the criteria necessary for a recruitment or retention incentive; the search process used if the individual is recruited from outside the NIH or is promoted to a higher level position or placed in a tenure-track position within the NIH; any adverse factors associated with the change in commuting area; and the rationale for the amount of the incentive, e.g., evidence of current, non-Federal salary and/or salary plus fringe benefits, non-Federal employment offers/opportunities, Runzheimer (or equivalent) comparison, and the duration of the appointment held/proposed. For retention, ICs must demonstrate with reasonable documentation that the individual would be likely to leave the NIH if the higher total payments are not approved. This may be demonstrated by submitting recent written job offers where the individual is offered a compensation level that must be met; or verbal job offers that have been confirmed by an Institute or Center official at a higher level than the employee. Job opportunities

Date: 05/04/00

Issuing Office & Phone: OD/OHRM/SASED, 496-1443

TITLE 42 RECRUITMENT AND RETENTION INCENTIVES

may be used to support these recommendations, but the substantiation must be such that a reasonable person, in reviewing the documentation, would conclude that the individual would leave if the total payment were not increased as proposed.

Re-certification and Renewal Requests Requiring Approval by the Director, NIH: The justification memorandum must address the conditions placed on the initial incentive, why it is necessary to continue the incentive and the appointee's current level of payment.

F. Incentive Amount:

The amount of the incentive will be set at the minimum percentage that is necessary to obtain/retain the services of a candidate.

G. Payment:

Recruitment Incentive: The incentive is paid as a lump sum and is not considered part of the employee's rate of basic pay for any purpose.

A recruitment incentive based on the relocation of a current NIH employee to a different commuting area must be approved prior to the employee's entrance on duty at the new duty station and may not be paid until the employee provides proof of having established a residence in the new commuting area.

Retention Incentive: The incentive is paid with the employee's pay on a biweekly basis, not as a lump sum. It:

- is not considered basic pay for any purpose;
- may not begin during the period of employment required under a service agreement for a recruitment incentive;
- must be terminated if the employee leaves the position for which it was approved;
- must be reviewed in writing on an annual basis to determine whether the payment is still warranted and re-certified if appropriate (reduction or termination of a retention incentive may not be appealed);
- may be renewed coincident with subsequent time limited appointments of the individual to the same position if the conditions that warranted the original retention incentive continue to exist; and
- may be suspended if the employee's performance becomes less than satisfactory, and may be restored prospectively when performance returns to satisfactory. Incentive monies forfeited during the period of unsatisfactory performance may not be restored retroactively, nor does such forfeiture extend the annual review period.

Date: 05/04/00

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TITLE 42 RECRUITMENT AND RETENTION INCENTIVES

H. Service Agreement:

Before a recruitment incentive may be paid, the employee must sign a written service agreement to complete at least 6 months of employment with the appointing organization (Appendix 1). ICs may require a longer agreement. An employee who voluntarily or because of misconduct fails to complete the period of employment established under a service agreement is indebted to the Federal Government and must repay the recruitment incentive on a pro rata basis. The official who approved the incentive may determine that the individual's failure to complete the period of service is due to circumstances beyond the employee's control.

I. Internal Evaluation, Records and Reports:

The purpose of this issuance is to provide policies and procedures for the use of recruitment and retention incentives for the recruitment and retention of those appointed under Title 42, Sections 209 (f), 209 (g), 209 (h), and NIH Special Experts appointed under Title 42, Sections 282(d)(1), 285b-3(b)(1), and 285a-2(b)(5).

The office responsible for reviewing management controls relative to this manual issuance is the Office of Human Resource Management (OHRM), Office of the Director, NIH. Through this issuance, the OHRM is accountable for the method used to ensure that management controls are implemented and working.

Frequency of Review: The OHRM pre-audits all incentives requiring the approval of the Director, NIH. OHRM will post-audit all requests where total payments are less than or equal to EX-I. ICs are responsible for forwarding copies of incentives approved internally to OHRM/SASED within ten working days of approval.

Method of Review: OHRM will review requested and approved incentives. Review reports are sent to the Deputy Director for Management, NIH.

J. Records Retention and Disposal:

All records (e-mail and non-e-mail) pertaining to this chapter must be retained and disposed of under the authority of NIH Manual 1743, "Keeping and Destroying Records, Appendix 1, "NIH Records Control Schedule," Item 2300-293, Personnel Records and Files.

NIH e-mail messages – NIH e-mail messages (messages, including attachments, that are created on NIH computer systems or transmitted over NIH networks) that are evidence of the activities of the agency or have informational value are considered Federal records. These records must be maintained in accordance with current NIH Records Management guidelines. If necessary, back-up file capability should be created for this purpose. Contact your IC Records Officer for additional information.

Date: 05/04/00**Issuing Office & Phone: OD/OHRM/SASED, 496-1443****TITLE 42 RECRUITMENT AND RETENTION INCENTIVES**

All e-mail messages are considered Government property, and, if requested for a legitimate Government purpose, must be provided to the requestor. Employees' supervisors, NIH staff conducting official reviews or investigations, and the Office of Inspector General may request access to or copies of the e-mail messages. E-mail messages must also be provided to members of Congress or Congressional oversight committees if requested and are subject to Freedom of Information Act requests. Since most e-mail systems have back-up files that are retained for significant periods of time, e-mail messages and attachments are likely to be retrievable from a back-up file after they have been deleted from an individual's computer. The back-up files are subject to the same requests as the original messages.

NATIONAL INSTITUTES OF HEALTH RECRUITMENT INCENTIVE SERVICE AGREEMENT

Name (Type/Print First, Middle, Last) _____

In consideration of payment of the incentive for which I qualify under the policies of the National Institutes of Health, Department of Health and Human Services, I hereby agree:

1. To serve in (IC Division, Program, Branch, etc.) _____, (IC) _____, NIH for _____ months in _____
(Official Position/Professional Designation, pay plan and series)
2. That the amount of the incentive payable to me shall be determined by the Director, NIH or his/her designee as prescribed by the NIH plan for payment of such incentives. The incentive payable under this agreement is _____% of my basic pay (currently \$_____).
3. That acceptance of this agreement does not alter the conditions or terms of my employment.
4. That payment of this incentive is based solely on the position to which I am assigned and is not associated with my performance and/or conduct. Accordingly, this agreement will not preclude nor limit the National Institutes of Health from effecting personnel actions as may be appropriate.
5. (a) That in the event I voluntarily or because of misconduct, fail to complete the period of service in the position for which I am to receive the incentive, I will refund the incentive pay I have received, except for the prorated amount the NIH determines I am entitled to based on my length of service.

(b) It is further agreed that any amount which I am obligated to refund will be a debt due to the United States which I hereby agree to pay in full as directed by the Department of Health and Human Services.
6. (a) That the effective date of this agreement and incentive payment pursuant to this agreement will normally be made on the first day of the pay period after the agreement is signed and notarized, but not earlier than the date of the appointment. This agreement is effective on _____ (Month/Day/Year).

(b) In unusual circumstances, an agreement may be effective at a later date agreed upon by the employee and the NIH. This agreement will be effective on _____ (Month/Day/Year).
7. That NIH policy is incorporated into and made a part of this agreement and I have read this policy.

I AGREE TO THE TERMS OF THIS CONTRACT

Signature _____

Name (Print/Type) _____

Date _____

NOTARIZATION

Subscribed and sworn before me this _____ day of _____, A.D. 20____, at _____
(City and State)

(Signature of Notary)

(Date Commission Expires)

REVIEWS AND APPROVALS

a. IC Recommending Official's Signature	Title	Date
b. NIH Recommending Official's Signature (if required)	Title	Date
c. Approving Official's Signature	Title	Date
d. Funds are Available (Signature)	Title	Date
e. I certify that the information entered on this form is accurate and that the proposed incentive is in compliance with statutory and regulatory requirements.	Personnel Official's Signature & Title	Date